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Security Information

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- [REDACTED]
1. In early December 1952 the general manager of my firm's office in Rio de Janeiro, Brazil, telephonically told me that he was still unable to determine how nationalistic President Vargas is or the extent to which he may cooperate with Peron. The manager is hopeful that Vargas may respect and equitably deal with foreign interests in Brazil since he may get a World Bank loan and, by bringing his trade payments up to date, be more amenable to foreign investments. The manager has learned that a new foreign exchange bill passed its first reading in Brazil's legislature and will probably become law before 15 Dec 52. However, he says that the "oil law" and other legislation manifesting the country's rampant nationalism are still pending and what President Vargas will do is still conjecture.^{KRF}
 2. My manager's remarks about President Vargas and nationalism in Brazil confirm statements made at a mid October 1952 New York City luncheon by the chief executives of several large US firms having extensive financial interests in Brazil. These important officials, however, were concerned about strong nationalist sentiments and activities in all the Latin American countries. They insisted that the US take a firm stand against loaning dollars to those countries which have stolen US investments and have created a climate unattractive to such future investments. They felt that the US should no longer appease Latin American countries to keep them in line with the Western Powers' aims in the UN.

This unclassified information for US Officials
does not warrant dissemination by [REDACTED] report.
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